State/Region/Union Territory	Advances
VI. *SOUTHERN REGION*	17575
Andhra Pradesh	4602
Karnataka	4327
Kerala	2690
Tamil Nadu	6031
Pondicherry	84
Lakshadweep	1
ALL-INDIA	64677

NOTE : 1. Total may not add up due to rounding differecnes.
2. Data are provisional.

Overdues of Public Sector Banks

3080. SHRI RAOOF VALIULLAH: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the R.B.I. has issued revised guidelines to safeguard against misuse of bank accommodations if so, what promoted R.B.I. to issue these;

(b) what were the total overdues of public sector banks at the end of 1986 and its percentage to total outstanding advances;

(c) what is the outstanding credit for sick industrial units and what steps are being taken to effect a substantial recovery of overdues; and

(d) what is the total amount the banks have written off so far?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) The Reserve Bank of India issues guidelines from time to time covering various aspects of credit policy which includes necessary steps to ensure that, as far as possible, the bank assistance is not misused. R.B.I. advised banks to introduce a comprehensive and uniform grading system to indicate the health of individual advances and accordingly classify them in eight distinct categories. This was done with a view to facilitate close monitoring of sticky advances and eventually reduce the incidence of bad debts.

(b) The total overdues of Public Sector Banks as at the end of June 1986 stood at Rs. 7846 crores constituting 15.36 per cent of their total outstanding advances.

(c) The total amount of outstanding credit for sick industrial units stood at Rs. 4665 crores as at the end of June 1986.

With a view to improving recovery performance, the Reserve Bank of India has issued guidelines to the Banks for taking effective measures like strengthening of the organisational structure, adopting of schematic appraisal systems, post lending supervision and launching of recovery drives with the help of State Governments. Banks have also been advised to create separate 'Recovery Cell' for a cluster of nearby branches for continuous and effective supervision. Recovery position has also to be reviewed periodically by the Board of Directors of the Banks.

(d) All commercial banks including the public sector banks make provision every year out of their annual income for meeting their liability towards bad and doubtful dabts to the satisfaction of their statutory auditors and write of the debts which are considered by their management as ultimately unrecoverable from out of the provisions so made. The banks generally write off their advances only after exhausting all possible evenues of recovery. Reserve Bank of India have issued detailed guidelines to the banks indicating the factors to be kept in view before write offs are made. According to the norms of Balance Sheet and Profit and loss Account prescribed in the Third Schedule of the Banking Regulation Act, 1949, which all banks are required to follow strictly, and in accordance with the practices and usages customary among the bankers, the banks are given statutory protection from disclosing the quantum of bad and doubtful debts for which the provision is made to the satisfaction of their statutary auditors as well as the amount of bad debts written off.

Growth rate in National Economy

3081. SHRI KALPNATH RAI: Will the Minister of PLANNING be pleased to state:

(a) what is the growth rate in national economy attained during the first two years of the current Plan and that expected to be attained by the end of this Plan;

(b) whether any target of growth rate has been planned to be attained by the 2000 A.D.; and

(c) if so, what are the details and the steps likely to be taken to fulfil that target?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING AND THE MINISTER OF STATE OF THE MINISTRY OF PROGRAMME IMPLEMENTATION (SHRI SUKH RAM): (a) The growth rate in Gross Domestic Product at factor cost in the first year of the current Plan i.e. 1985-86 was 5.1 per cent as per Central Statistical Organisation quick estimates. The growth rate is tentatively estimated to be over 4.5 per centin the second year of the plan i.e. 1986-87. A growth rate of 5 per cent is expected to be attained by the end of this Plan.

(b) Yes, Sir.

(c) According to the Development Perspective of the Seventh Five Year Plan a target of 5 per cent growth rate has been planned to be attained by 2000 A.D. The Seventh Plan seeks to emphasise policies and programmes which will accelerate the growth in foodgrains production, increase employment opportunities and raise productivity. At the present stage of development, these three more immediate objectives are central to the achievement of the long-term goals put forward in the development perspective.

Bank Dacoities

3082. SHRI S. S. AHLUWALIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that bank dacoities in the public sector banks have been on increase;

(b) if so, the details of such cases in Nationalised banks during the period 1st January, 1985 and 30th June, 1987;

(c) how does the figures compare with the number of cases during the corresponding period i.e. 1-1-1983 and 30-6-1985 stating the amount involved;

(d) main reasons for rise in such cases; and

(e) the measures taken by Government to check these cases?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c)